

CASE 3269: Application of SHELL
OIL CO. for amendment to special
pool rules for Henshaw-Wolfcamp.

Continued to
last of hearing
in August -
see letter
Aug 25

CASE NO.
3269

Application,
TRANSCRIPTS,
SMALL Exhibits
ETC.

dearnley-meier reporting service, inc.

SPECIALIZING IN: DEPOSITIONS, HEARINGS, STATEMENTS, EXPERT TESTIMONY, DAILY COPY, CONVENTIONS

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STATE OF NEW MEXICO)
) SS
COUNTY OF BERNALILLO)

I, ADA DEARNLEY, Notary Public in and for the County of Bernalillo, State of New Mexico, do hereby certify that the foregoing and attached Transcript of Hearing before the New Mexico Oil Conservation Commission was reported by me; and that the same is a true and correct record of the said proceedings, to the best of my knowledge, skill and ability.

Witness my Hand and Seal this 4th day of September, 1965.

Ada Dearnley
NOTARY PUBLIC

My Commission Expires:
June 19, 1967.

I do hereby certify that the foregoing is a complete record of the proceedings in the Examiner hearing of Case No. 3249, heard by me on 8/25, 1965.

[Signature]
Examiner
New Mexico Oil Conservation Commission

dearnley-meier reporting service, inc.

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PAGE 2

MR. NUTTER: We will call the next case, 3269.

MR. DURRETT: Application of Shell Oil Company
for an amendment to Order R-2182, Eddy County, New Mexico.

If the Examiner please, I would like to state for the
record that we have received a letter from Richard S. Morris,
attorney for Shell, requesting that this case be dismissed.

MR. NUTTER: Case 3269 will be dismissed.

dearnley-meier reporting service, inc.

SPECIALIZING IN: DEPOSITIONS, HEARINGS, STATEMENTS, EXPERT TESTIMONY, DAILY COPY, CONVENTIONS

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PAGE 1

BEFORE THE
NEW MEXICO OIL CONSERVATION COMMISSION
Santa Fe, New Mexico
August 25, 1965

EXAMINER HEARING

IN THE MATTER OF:

Application of Shell Oil Company
for an amendment to Order R-2182,
Eddy County, New Mexico.

Case No. 3269

BEFORE: Daniel S. Nutter, Examiner.

TRANSCRIPT OF HEARING

dearnley-meier reporting service, inc.

SPECIALIZING IN: DEPOSITIONS, HEARINGS, STATEMENTS, EXPERT TESTIMONY, DAILY COPY, CONVENTIONS

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PAGE 2

MR. NUTTER: The hearing will come to order please.
The first case this morning will be case 3269.

MR. DURRETT: Application of Shell Oil Company
for an amendment to Order R-2182, Eddy County, New Mexico.
If the Examiner please, the Commission has received a letter
from Richard Morris, the attorney for the Shell Oil
Company requesting that this case be continued to the last
Examiner's Hearing in August.

MR. NUTTER: Case number 3269 will be continued
to 9:00 A.M., August 28 of this same place. We will call
next Case 3271.

STATE OF NEW MEXICO)
COUNTY OF BERNALILLO)

I, Denny Watts, Notary Public in and for the County of
Bernalillo, State of New Mexico, do hereby certify that the
foregoing and attached Transcript of Proceedings before the
New Mexico Oil Conservation Commission was reported by me,
and that the same is a true and correct record to the best of
my knowledge, skill and ability.

WITNESS my Hand and Seal this 8th day of July,
1965.

Denny Watts
DENNY WATTS

My Commission Expires:

April 9, 1969.

I do hereby certify that the foregoing is
a complete record of the proceedings in
the Examiner hearing of Case No. 3269
heard by me on 6/30, 1965.

[Signature] Examiner
New Mexico Oil Conservation Commission

BEFORE THE
NEW MEXICO OIL CONSERVATION COMMISSION
Santa Fe, New Mexico

June 30, 1965

EXAMINER HEARING

IN THE MATTER OF:
Application of Shell Oil Company for
an amendment to Order R-2182, Eddy County,
New Mexico.

Case No. 3269

BEFORE: Daniel S. Nutter

TRANSCRIPT OF HEARING

DEARNLEY-MEIER REPORTING SERVICE, Inc.

FARMINGTON, N. M.
PHONE 325-1162

SANTA FE, N. M.
PHONE 963-3871

ALBUQUERQUE, N. M.
PHONE 243-6691



to the Henshaw Deep Unit. Shell Oil Company is the operator of the Henshaw Deep Unit.

Shell Oil Company requests that a 6000:1 gas-oil ratio be established for the Henshaw-Wolfcamp Pool in order that the wells in the pool be permitted to produce top allowable. At the present time five of the eight wells in the pool are capable of producing top allowable, but are penalized under the existing 2000:1 gas-oil ratio limitation.

4. A 6000:1 gas-oil ratio in the Henshaw-Wolfcamp Pool may be established without injury to the reservoir, without reducing the ultimate recovery of oil from the pool and without causing waste or impairing correlative rights.

WHEREFORE, Shell Oil Company requests that this application be set for hearing before an examiner appointed by the Commission at the first examiner hearing in the month of July 1965, and that the Commission enter its order approving this application.

Rich Called to change the time for setting this application to June 30th.

SETH, MONTGOMERY, FEDERICI & ANDREWS
By *Richard S. Thewissen*
350 East Palace Avenue
Santa Fe, New Mexico

jk
5-28-65

Attorneys for Shell Oil Company.

BEFORE THE OIL CONSERVATION COMMISSION
OF NEW MEXICO

APPLICATION OF SHELL OIL COMPANY
FOR THE ESTABLISHMENT OF A
6000:1 GAS-OIL RATIO IN THE
HENSHAW-WOLFCAMP POOL OF EDDY
COUNTY, NEW MEXICO.

Case No. 3269

APPLICATION

Comes now Shell Oil Company by its attorneys and applies to the New Mexico Oil Conservation Commission for an order establishing a limiting gas-oil ratio in the Henshaw-Wolfcamp Pool in Eddy County, New Mexico, of 6000 cubic feet of gas per barrel of oil, and in support of its application states:

1. The Henshaw-Wolfcamp Pool, Eddy County, New Mexico, was established by Order No. R-2182 dated March 1, 1962. Said Order No. R-2132 also adopted temporary special rules for the pool, which rules were extended by Order No. R-2182-A, dated February 27, 1963, and made permanent by Order No. R-2182-B dated April 13, 1964.
2. The special rules and regulations for the Henshaw-Wolfcamp Pool presently make no provision for a limiting gas-oil ratio and, therefore, the limitation of 2000 cubic feet of gas per barrel of oil as prescribed by Rule 506(a) has been applied to this pool.
3. At the present time there are eight wells completed in the Henshaw-Wolfcamp Pool, all of which are within and subject

J. O. SETH (1883-1963)

A. K. MONTGOMERY
Wm. FEDERICI
FRANK ANDREWS
FRED C. HANNAHS
RICHARD S. MORRIS
JOHN G. JASPER
SUMNER G. BUELL

SETH, MONTGOMERY, FEDERICI & ANDREWS

ATTORNEYS AND COUNSELORS AT LAW
350 EAST PALACE AVENUE
SANTA FE, NEW MEXICO 87501

May 26, 1965

POST OFFICE BOX 2307
AREA CODE 505
TELEPHONE 982-3876

Case 3269

New Mexico Oil Conservation Commission
State Land Office Building
Santa Fe, New Mexico

Re: Application for establishment of 6000:1
GOR, Henshaw-Wolfcamp Pool, Eddy County,
New Mexico.

Gentlemen:

Enclosed is the application of Shell Oil Company in
the above referenced matter which we would appreciate
your setting for hearing at the first examiner hearing
in the month of July, 1965.

If additional information is desired in advance of the
hearing, please advise.

Very truly yours,

Richard S. Morris

*Rich called and wants
the case on for
June 30th
5-28-65*

RSM:mf
Encl.

cc: Mr. Vic King
Shell Oil Company
P.O. Box 1858
Roswell, New Mexico

DOCKET MAILED

6-16-65

J. O. SETH (1883-1963)

A. K. MONTGOMERY
WM. FEDERICI
FRANK ANDREWS
FRED C. HANNAHS
RICHARD S. MORRIS
JOHN G. JASPER
SUMNER G. DUELL

SETH, MONTGOMERY, FEDERICI & ANDREWS

ATTORNEYS AND COUNSELORS AT LAW

350 EAST PALACE AVENUE
SANTA FE, NEW MEXICO 87501

POST OFFICE BOX 2307
AREA CODE 505
TELEPHONE 982-3876

Case 3269

June 18, 1965

New Mexico Oil Conservation Commission
State Land Office Building
Post Office Box 2088
Santa Fe, New Mexico

Re: Case 3269 - Application Of
Shell Oil Company For An
Amendment Of Order No. R-2182
Examiner Hearing June 30, 1965

Gentlemen:

Shell Oil Company requests that the above-referenced case be continued to the last Examiner Hearing in the month of August 1965. If there is any objection to this procedure, we would appreciate being notified.

Very truly yours,

Richard S. Morris

RSM:dd

CC - Mr. Vic King
Shell Oil Company
P. O. Box 1858
Roswell, New Mexico

DOCKET MAILED

Date *8/12/65*
SK

AUGUST 25, 1965 EXAMINER HEARING

CASE 3299: Application of Sinclair Oil & Gas Company for a waterflood expansion, Eddy County, New Mexico. Applicant, in the above-styled cause, seeks an amendment to Order No. R-2268-A which authorized the expansion of applicant's Keel-West Waterflood Project, Township 17 South, Range 31 East, Grayburg Jackson Pool, Eddy County, New Mexico, in four stages; applicant seeks said amendment to permit the commencement of Stage IV prior to the completion of Stage III.

CASE 3269 (Continued from the June 30th Examiner Hearing):

Application of Shell Oil Company for an amendment to Order R-2182, Eddy County, New Mexico. Applicant, in the above-styled cause, seeks an amendment to the special pool rules for the Henshaw-Wolfcamp Pool, Eddy County, New Mexico, as promulgated by Order R-2182 and Order R-2182-B, to include a provision for a gas-oil ratio limitation of 6,000 to 1.

CASE 3271 (Continued from the June 30th Examiner Hearing):

Application of Shar-Alan Oil Company for the creation of a new pool, Rio Arriba County, New Mexico. Applicant, in the above-styled cause, seeks the creation of a Gallup-Mesaverde Gas Pool for its Rosa Unit Well No. 49 located in Unit M of Section 27, Township 31 North, Range 4 West, Rio Arriba County, New Mexico, which well is perforated in the Gallup formation from 6895 feet to 7025 feet, and the Mesaverde formation from 6115 feet to 6275 feet.

Docket No. 24-65

DOCKET: EXAMINER HEARING - WEDNESDAY - AUGUST 25, 1965

9 A. M. - OIL CONSERVATION COMMISSION CONFERENCE ROOM,
STATE LAND OFFICE BUILDING - SANTA FE, NEW MEXICO

The following cases will be heard before Daniel S. Nutter, Examiner, or
Elvis A. Utz, Alternate Examiner:

- CASE 3294: In the matter of the hearing called by the Oil Conservation Commission on its own motion to permit Harold J. Sechler, dba S. & S. Oil Producers, and all other interested parties to show cause why the Bond Well No. 1 located in the SW/4 NE/4 of Section 17, Township 9 North, Range 14 West, Valencia County, New Mexico, should not be plugged and abandoned in accordance with a Commission-approved plugging program.
- CASE 3295: In the matter of the hearing called by the Oil Conservation Commission on its own motion to permit W. C. Powers and J. E. Marshall, dba Powers Marshall Company, and all other interested parties to show cause why the W. Perry Smith Well No. 1 located in the NW/4 SE/4 of Section 34, Township 21 South, Range 30 East, Harding County, New Mexico, should not be plugged and abandoned in accordance with a Commission-approved plugging program.
- CASE 3296: Application of Pan American Petroleum Corporation for salt water disposal, Roosevelt County, New Mexico. Applicant, in the above-styled cause, seeks authority to dispose of produced salt water into the San Andres formation in its Horton Well No. 31 located in Unit M of Section 29, Township 8 South, Range 35 East, Milnesand-San Andres Pool, Roosevelt County, New Mexico.
- CASE 3297: Application of Southland Royalty Company for a dual completion and salt water disposal authority, Lea County, New Mexico. Applicant, in the above-styled cause, seeks approval of the dual completion of its J. D. Guye Well No. 5 located in Unit N of Section 12, Township 11 South, Range 33 East, Lea County, New Mexico, to produce oil from the Inbe-Pennsylvanian Pool through 2 7/8 inch tubing set in 5 1/2 inch casing and to dispose of produced salt water into the San Andres formation through the intermediate casing annulus.
- CASE 3298: Application of Sunray DX Oil Company for the creation of an oil and gas pool and for special pool rules, Roosevelt County, New Mexico. Applicant, in the above-styled cause, seeks the creation of the Todd-San Andres Oil and Gas Pool in Sections 22 through 28 and Sections 34 through 36, Township 7 South, Range 35 East, and Sections 30 and 31, Township 7 South, Range 36 East, Roosevelt County, New Mexico. Applicant further seeks the promulgation of temporary special pool rules, including a provision for 80-acre oil proration units and 320-acre gas proration units; applicant also requests a provision for limiting withdrawals from gas cap wells to the volumetric equivalent of wells in the oil portion of the reservoir. Applicant further requests an administrative procedure to permit the transfer of allowables among wells on the same lease while conducting pressure interference tests.

J. O. SETH (1883-1963)

A. K. MONTGOMERY
WM. FEDERICI
FRANK ANDREWS
FRED C. HANNAHS
RICHARD S. MORRIS
JOHN G. JASPER
SUMNER G. BUELL

SETH, MONTGOMERY, FEDERICI & ANDREWS

ATTORNEYS AND COUNSELORS AT LAW

350 EAST PALACE AVENUE

SANTA FE, NEW MEXICO 87501

August 20, 1965

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'65 Aug 23 AM 7

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TELEPHONE 982-3876

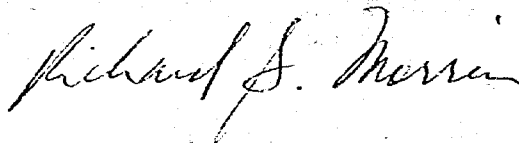
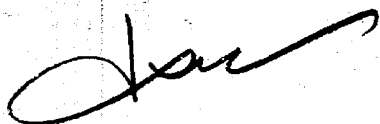
New Mexico Oil Conservation Commission
State Land Office Building
Santa Fe, New Mexico

Re: NMOCC Case No. 3269
August 25, 1965 examiner hearing

Gentlemen:

Shell Oil Company requests that its application in Case No. 3269, originally set for hearing on June 30, 1965 and continued to the examiner hearing on August 25, 1965, be dismissed.

Very truly yours,



RSM:LHS

cc: Mr. J. E. R. Sheeler
Western Division Production Manager
Shell Oil Company
P. O. Box 1509
Midland, Texas

GOVERNOR
JACK M. CAMPBELL
CHAIRMAN

State of New Mexico
Oil Conservation Commission



LAND COMMISSIONER
GUYTON B. HAYS
MEMBER

STATE GEOLOGIST
A. L. PORTER, JR.
SECRETARY - DIRECTOR

P. O. BOX 2088
SANTA FE

September 1, 1965

Mr. Richard S. Morris
Seth, Montgomery, Federici & Andrews
Post Office Box 2307
Santa Fe, New Mexico

Re: Case No. 3269
Order No. R-2958
Applicant:

SHELL OIL COMPANY

Dear Sir:

Enclosed herewith are two copies of the above-referenced Commission order recently entered in the subject case.

Very truly yours,

A. L. Porter, Jr.
A. L. PORTER, Jr.
Secretary-Director

ir/

Carbon copy of order also sent to:

Hobbs OCC x

Artesia OCC x

Aztec OCC

OTHER

BEFORE THE OIL CONSERVATION COMMISSION
OF THE STATE OF NEW MEXICO

IN THE MATTER OF THE HEARING
CALLED BY THE OIL CONSERVATION
COMMISSION OF NEW MEXICO FOR
THE PURPOSE OF CONSIDERING:

CASE No. 3269
Order No. R-2958

APPLICATION OF SHELL OIL COMPANY
FOR AN AMENDMENT TO ORDER R-2182,
KIOWA COUNTY, NEW MEXICO.

ORDER OF THE COMMISSION

BY THE COMMISSION:

This cause came on for hearing at 9 o'clock a.m. on August 25, 1965, at Santa Fe, New Mexico, before Examiner Daniel S. Rutter.

NOW, on this 1st day of September, 1965, the Commission, a quorum being present, having considered the record and the recommendations of the Examiner, and being fully advised in the premises,

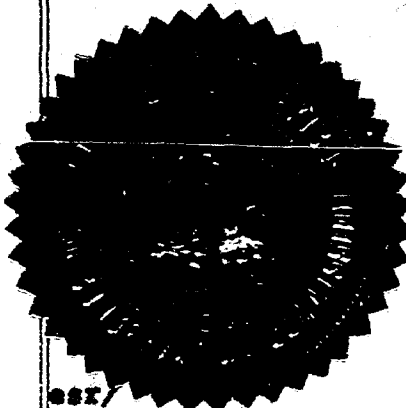
FINDS:

That the applicant's request for dismissal should be granted.

IT IS THEREFORE ORDERED:

That Case No. 3269 is hereby dismissed.

DONE at Santa Fe, New Mexico, on the day and year hereinabove designated.



STATE OF NEW MEXICO
OIL CONSERVATION COMMISSION

Jack M. Campbell
JACK M. CAMPBELL, Chairman

Guyton B. Nays
GUYTON B. NAYS, Member

A. L. Porter, Jr.
A. L. PORTER, Jr., Member & Secretary